



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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September 26, 2000

TO: Minerals File

FROM: D. Wayne Hedberg, Permit Supervisor 

RE: Documentation of September 26, 2000 Conference Call, Assessment Review & Status of Closure & Reclamation Activities, North Lily Mining Company, Tintic Project, M/023/007, Juab County, Utah

Date of Call/Meeting: September 26, 2000

Location: Division Offices

Time of Call/Meeting: 9:45 - 10:30 a.m.

Participants: Steven Flechner, Gene Webb - North Lily Mining Company; Bob Bayer - JBR Consultants; Pam Grubaugh-Littig, Wayne Hedberg, and Doug Jensen - DOGM; Beth Wondimu - DWQ

Purpose of Call/Meeting: The purpose of this conference call was to document the progress that has been made at the Tintic Project site since our last conference call on September 12, 2000.

On September 26, 2000, a conference call was held between the representatives identified above to discuss the status of ongoing closure and reclamation activities at the Tintic Project site. The discussion focused on the work that has been conducted at the site since our last conference. A summary of the discussion item details follow:

- Wayne asked North Lily representatives to present an overview of the work completed since our September 12th conference call. Bob gave an accounting of what has occurred to date according to his most recent conversations with Walt (who was out of town today).
- Bob stated that his secretary was presently faxing us a copy of all the latest laboratory analytical results for the samples taken from the site thus far. He said that a short memo was forthcoming along with the weekly reports, the leach pad material fertility analyses, the meteoric water mobility test results, and the barren pond sludge TCLP results. He stated he did not have the water quality results back yet, but would call the laboratory today and find out the status.
- Wayne acknowledged he had neglected to forward copies of the September 12th conference call meeting minutes and the revised schedule as promised. He committed to correct this oversight by Wednesday.

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- Bob said that Rainy Day contractors were out to the site last week (Tuesday) and repaired the liner tears in the overflow pond up to approximately six feet above the pond bottom (cost was about \$2000).
- Evaporation is continuing well, with both misting arrays functional and operating most of the time. One backup pump failed and two replacements were damaged due to an electrical fuse arcing problem that went undiagnosed until recently (3-phase to 1-phase problem). Electrician has since corrected the problem and replacement pumps are functioning properly now.
- Bob stated he has scheduled a backhoe to be on site tomorrow to help perform some percolation tests on adjacent areas to the heap and ponds.
- Bob stated that they had about a one inch or more of rain late last week-end and, as of yet, the return flow from the heap is not reflecting same. Return rates are down between 9 - 10 gpm now.
- Bob said that sandbagging work has been performed within the barren pond to hold down the edges of the tears and overliner repairs. Doug asked Elwin to do some additional sandbagging work during his inspection on 9/25/00. Bob said he was aware of this and Elwin would follow up with same. Doug suggested that the ragged edges of the tears be trimmed. Also that pieces of liner material be draped over the tears to give additional protection of these areas from further wind damage.
- Beth asked Bob if he could acquire the previously requested vacuum test information on the patch work performed in the pregnant pond. Bob stated he would try, but that the Rainy Day contractor seemed to have a difficult time getting paperwork reports prepared for some reason.
- Bob said nothing more has been done regarding the transport of unused chemicals from the site just yet. Believe they have until November to accomplish this.
- Steve stated that they are finalizing an SEC filing this week which should allow them to complete the pending property sales transactions by next week. This should allow additional funding to be available for site closure work in the near term.

We ended the conference call with DOGM agreeing to type up the conference call minutes and send same along with a copy of the revised schedule to all participants. We confirmed the next conference call for October 10th at 9:30 a.m. Doug stated he and Beth Wondimu would like to schedule another site inspection the week before the conference call to evaluate the status of ongoing closure activities.

jb
cc: Steve Flechner, NLMC
Bob Bayer, JBR
Beth Wondimu, DWQ
Pam Grubaugh-Littig, DOGM
Doug Jensen, DOGM
Tom Munson, DOGM
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